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UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

In re: Chapter 11

PURDUE PHARMA L.P., et al.,

Debtors.¹

Case No. 19-23649 (RDD)

(Jointly Administered)

DEBTORS' OMNIBUS OBJECTION TO DEBORAH CLONTS' MOTIONS TO APPROVE CLAIM PAYMENT AND FOR LIFT OF AUTOMATIC STAY

Purdue Pharma L.P. ("**PPLP**") and its affiliates that are debtors and debtors in possession in these proceedings (collectively, the "**Debtors**," the "**Company**," or "**Purdue**") respectfully represent as follows in opposition to the *Motion for Claim Payment* [Dkt. No. 2059] (the "**Claim**")

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¹ The Debtors in these cases, along with the last four digits of each Debtor's registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF L.P. (0495), SVC Pharma L.P. (5717), and SVC Pharma Inc. (4014). The Debtors' corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

Payment Motion"), the *Motion for Lift of Automatic Stay* [Dkt. No. 2175] (the "**Lift Stay Motion**"), the *Letter in Support of Amended Motion for Lift of Automatic Stay* [Dkt. No. 2194] (the "**Lift Stay Letter**"), and the *Amended Motion for Lift of Automatic Stay* [Dkt. No. 2209] (the "**Amended Lift Stay Motion**") (collectively, the "**Motions**") filed by Deborah Clonts (the "**Movant**"):²

- 1. The Movant requests, based on her proofs of claim filed in these cases (the "Claims"),³ that this Court allow her to "recover personal injury damages based on [her daughter] Shyra Chandlers['] addiction to Dilaudid, her many overdoses, and her death." (Claim Payment Mot. ¶ 1.) The Lift Stay Motion similarly seeks payment on Movant's Claims arguing that "this debt should be deemed non-dischargeable, due and payable in full." (Lift Stay Mot. ¶ 1; Am. Lift Stay Mot. ¶ 1.)
- 2. As noted in their prior objection to a motion filed by an individual similarly seeking early payment in full on her claims, although the Debtors remain sympathetic to all those affected by the opioid crisis, and are committed to moving these cases forward as quickly and efficiently as possible, these cases are not yet at the stage where the Debtors can consider resolving individual claims like the Movant's and allocating funds to allowed or accepted claims.

On January 9, 2021, the Debtors received a "Certificate of No Response" filed by Movant indicating that the Movant "ha[d] not received any objections or notifications . . . as of January 9, 2021." Subsequently, on January 12, 2021, the Movant sent the Court a "Certificate of No Objection," indicating that the Movant had not received any objection from the Debtors as of 3:50 p.m. on January 12, 2021. (Certification of No Objection (Jan. 13, 2021), Dkt. No. 2264.) However, as the Debtors informed the Movant by email on January 11, 2021, under the case management order governing these cases, the deadline to file objections to the Motions is January 13, 2021, seven calendar days before the hearing for which they were noticed, at 4 p.m. (Prevailing Eastern Time). (Second Am. Order Establishing Certain Notice, Case Management, and Administrative Procedures, ¶ 25(a) (Nov. 18, 2019), Dkt. No. 498.)

³ The Claims include claim numbers 10231, 67036, 614341, 615218, and 615270.

(Debtors' Obj. to Mot. for Claim Payment ¶¶ 1-2 (Dec. 11, 2020), Dkt. No. 2116.) Indeed, as the Court noted in denying the previous claim payment motion, "the payment in full of the [c]laims but not all claims similarly situated to the [c]laims before the confirmation and effective date of a chapter 11 plan in these cases would violate the fundamental Bankruptcy Code principles of similar treatment of similar claims and the resolution and treatment of general unsecured claims under a chapter 11 plan and is not warranted by any exception to such principles." (See Order Denying Mot. for Immediate Claim Payment, at 1-2 (Dec. 16, 2020), Dkt. No. 2145.) Moreover, as the Court has noted in connection with the preliminary injunction in these cases, a stay of litigation "furthers [the negotiation] process and . . . [the] prospect for a successful reorganization." (Sept. 30, 2020 Omnibus Hr'g Tr. 79:23-80:9.) To the extent that the Motions seek payment on the Claims outside of an approved plan, the Debtors request that those Motions be denied. To the extent that the Lift Stay Motion raises issues of nondischargeability, the Debtors submit that such issues are more properly addressed in the context of plan confirmation and request that the Lift Stay Motion be denied at this time, without prejudice.

3. For the reasons set forth above, the Debtors request that the Court enter the order attached hereto as **Exhibit A**, denying the Motions without prejudice to the Claims or to the rights of the Movant, the Debtors, or any other parties in interest with respect to the Claims.

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Dated: January 13, 2021 New York, New York

/s/ James I. McClammy

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